

ANNEXURE J:

**MEC COGTA LETTER
RECEIVED ON 2021/2022
IDP**



GAUTENG PROVINCE

CO-OPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

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Reference: MEC Letter 2021/22

By email: mayor@midvaal.gov.za

Cllr Bongani Baloyi
The Executive Mayor
Midvaal Local Municipality
P O Box 9
MEYERTON
1960

Dear Cllr Baloyi

ASSESSMENT OF THE MIDVAAL LOCAL MUNICIPALITY (MLM) INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW 2021-22

1. OVERALL CREDIBILITY OF THE IDP

- 1.1 The Gauteng Department of Cooperative Governance and Traditional Affairs (GCOGTA) acknowledges and appreciates the submission of the 2021-22 Integrated Development Plan (IDP) Review on 28 May 2021, one (1) day after its adoption by Council on 27 May 2021 in accordance with the Municipal Systems Act No. 32 of 2000 (MSA).
- 1.2 The Municipality's IDP indicates that there were no objections received during the consultation with the local community as required in Section 28(2). Based on this, there is no need to institute any action in terms of Section 32(2) of the MSA, against the reviewed municipal IDP process.
- 1.3 It is noted that the Municipality's IDP contains all core components of the IDP as specified in Section 26 of the MSA. Therefore, having addressed the minimum core components in the IDP as well as undertaking public participation and adhering to the requirements of Chapter 5 of the MSA, the Municipality's IDP is deemed to be credible.

2. IDP ASSESSMENT AND OBSERVATIONS

The Municipality is hereby commended for developing a user-friendly document which is coherent in its compilation particularly on the following key performance areas (KPA's):

2.1 SPATIAL PLANNING AND SUSTAINABLE ENVIRONMENTAL DEVELOPMENT

2.1.1 The Municipality is acknowledged for attaching the full council approved 2021//2022 Municipal Spatial Development Framework (MSDF). In terms of policy alignment and integration, various national and provincial policies are acknowledged and articulated within the SDF. In response to modernisation of the economy, the Municipality lists priority projects to be initiated based on the findings and development proposals contained in the Spatial Development Framework which is commendable.

2.1.2 With regard to managing new settlement development, the MSDF is not clear on how areas that are suitable for affordable housing development will be linked to economic facilities and local economic development. As a result, the Municipality is urged to give attention to linking housing facilities to local economic development, nodal priorities, transport/mobility support in outer settlements. In efforts to promote spatial integration and township regeneration, the SDF must further clearly focus on township regeneration efforts in order to create hubs in accordance with the NDPs Urban Network Strategy.

2.2 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

2.2.1 The Municipality managed to obtain a clean audit for the past three consecutive years and this is highly commended by the Department.

2.2.2 The Department further notes the effort by the Municipality to introduce a differentiated approach to municipal financing, planning and support. In the IDP, the Municipality has identified the following programmes:

- The annual review and maintenance of an indigent policy
- Maintenance and enhancement of the collection strategy.
- The ongoing maintenance of an integrated asset management system
- The annual review and implementation of a borrowing policy

2.2.3 Based on the above, the Municipality has demonstrated stability in financial management over the past number of financial years. The attainment of good results and performance are further evident from the previous financial years.

2.2.4 In terms of the cash coverage ratio, it has been observed that the Municipality has a reasonable cash coverage ratio of 2.5 months, which suggests, amongst others, that the Municipality is in a position to meet short term payments. Ideally, the Municipality should try to maintain reserves of at least three (3) months.

2.2.5 The financial provision for repairs and maintenance remain inadequate with the potential to negatively impact the long-term sustainability of the Municipality's assets. Adequate allocation in this regard should be made in order to prolong the life span of assets of the Municipality. To this effect, the National Treasury has indicated 8 percent as the norm for repairs and maintenance.

2.3 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

- 2.3.1 With regards to water resources, the IDP has not provided detail on the Municipality's programmes intended to protect wetlands resources. The Municipality is acknowledged for mentioning the Expanded Public Works Programme (EPWP) – Alien Species Removal. However, there is a need to define the extent of alien species removal in the municipality.
- 2.3.2 In terms of sustainable energy and the promotion of renewable energy options, the Midvaal IDP is silent. The Municipality is encouraged to initiate and introduce solar energy projects such as solar geysers or PV panels for low income housing. Furthermore, the Municipality is encouraged to reduce dependence on fossil fuel generated electricity in public buildings. However, the Municipality is commended for having a Green Buildings Policy and Implementation Plan in place with the intention to provide guidelines on energy efficient buildings.
- 2.3.3 As Midvaal Local Municipality falls within the Vaal Triangle Air Shed Priority Area (VTAPA), it has been observed that the IDP does not discuss any air quality management matters. In terms of the Municipal Systems Act (32 of 2000), Air Quality Act (39 of 2004) and the National Framework for Air Quality Management, it is a prerequisite for each municipality to develop and include an Air Quality Management Plan as part of its Integrated Development Plan.

2.4 LOCAL ECONOMIC DEVELOPMENT (LED)

- 2.4.1 The concept of Township Economic Revitalisation (TER) is adopted as a developmental tool to enhance the unique characteristics of economic activities in the Municipality's underprivileged and underdeveloped communities. This demonstrates that the Municipality does acknowledge the importance of TER implementation in the IDP and have further incorporated the registration of SMMEs in their supply chain data base to facilitate access to municipal opportunities.
- 2.4.2 The Municipality is commended for having a council approved Local Economic Development strategy in place, which was adopted in May 2017. Going forward, the Municipality should indicate when this strategy will be reviewed and how will it go about to ensure that it continues to leverage on comparative advantages and sustains links to other provincial and private sector initiatives.

2.5 GOOD GOVERNANCE AND INSTITUTIONAL DEVELOPMENT

- 2.5.1 The Midvaal Local Municipality has all the critical posts filled with a functional Budget steering committee. Additionally, the Municipality's Budget and Treasury office has the relevant capacity to promote good financial management and ensure the efficient application of financial resources in the rendering of services to the community.

- 2.5.2 From the IDP submission, it is unclear what the Municipality's Public Participation Strategy status is. While there is no exclusive strategy or plan indicated in the IDP, there is an indication that public hearings were conducted to obtain public comments and inputs from communities. The public hearings were conducted in April 2021 although specific dates and mechanisms used are not provided. In the next IDP cycle, the Municipality is urged to provide clarity around its Public Participation Strategy.
- 2.5.3 The Municipality is further encouraged to consider the Asset Based Community Development (ABCD) model in engaging its citizenry and to enrich its ward committee system.
- 2.5.4 Moreover, it has been noted that Midvaal Local Municipality did not consult the local community before adopting its IDP process plan as required by legislation. It is therefore recommended that in the subsequent IDP process, the Municipality must consult the local community as per the requirements of Section 28 of the Municipal Systems Act No. 32 of 2000.

2.6 CROSS-CUTTING ISSUES

- 2.6.1 With regard to the Municipal Sector Plans, Section 26 of the Municipal Systems Act indicates that an Integrated Development Plan must reflect certain core components, one of them being applicable sector plans. Municipalities are urged to submit their sector plans as annexures to the IDP in subsequent submissions of the next IDP cycle.
- 2.6.2 On the issue of Gender Mainstreaming, Gender Based Violence and Femicide (GBVF) is an important issue for consideration and response. Preliminary observations revealed that IDPs do not include mainstreaming of gender or contain targeted responses to GBVF. While the IDP does reflect overall intentions to address gender-based violence and femicide in a way that would be impactful to communities, it is recommended that the Municipality refer to Province's adopted five pillar GBVF response plan which requires the participation of local government as one of the key stakeholders towards ensuring adequate gender mainstreaming within municipal IDPs.

3. DISTRICT DEVELOPMENT MODEL (DDM) AND ONE PLAN

- 3.1 The Sedibeng District's DDM One Plan was developed and submitted by the end of June 2021 as per the National Department of Cooperative Governance (DCOG requirements). The District's proposition for the DDM Launch/Pilot in Gauteng is also noted and the Local Municipality is encouraged to support this.
- 3.2 It should be noted that going into the 5th Generation of IDPs, the Municipality will be required to include a chapter on DDM implementation and the One Plan into the IDP. The alignment of IDPs and One Plan necessitates incorporation of the long-term priorities and commitments into shorter term interventions as part of the IDP term.

- 3.3 The Municipality is encouraged to continue to participate and support the implementation of DDM as well as the review and implementation of the District One Plan.

4. IDP MONITORING AND SUPPORT

- 4.1 The Gauteng Department of Cooperative Governance is committed to provide support and guidance while monitoring the development of the District IDP as outlined in Section 154 of the Constitution. To this extent, the Department:
- a) Has established the Provincial IDP Manager's Forum as critical support structure,
 - b) Will be issuing an IDP Circular that will provide the necessary guidance and clarity on the development, review and implementation of IDPs and other matters in the province, and
 - c) Has established Regional Support Teams that will, amongst others continue to work with the district and provide support on IDP and other matters.
- 4.2 In addition, the Department would like to participate in IDP Steering Committee Meetings of the Municipality in order to provide support and guidance.
- 4.3 Lastly, the Department, working together with Provincial Treasury and the Office of the Premier as the centre of government, will assist to coordinate the participation of sector departments in the IDP process.

5. RECOMMENDATIONS

The following recommendations are made to the Municipality and progress on these will be assessed amongst others, in the next IDP: -

- 5.1 The Municipal Spatial Development Framework (MSDF) must link housing facilities to local economic development, nodal priorities, transport/mobility support in outer settlements. The MSDF must also focus on township regeneration efforts in order to create hubs in accordance with the National Development Plan's (NDP's) Urban Network Strategy.
- 5.2 The Municipality's cash coverage ratio should be increased to maintain reserves for at least three (3) months. The budget provision for repairs and maintenance should be increased to 8% as per National Treasury's norm.
- 5.3 An The Local Economic Development Strategy should be reviewed and implemented as part of the next IDP.
- 5.4 The Municipality should provide details of programmes geared to protect wetlands as well as details of the extent of 'alien invasive' species removed through the Expanded Public Works Programme (EPWP).

- 5.5 The next IDP should provide details on renewable energy measures and Green Buildings. An Air Quality Management Plan (AQMP) should be developed and incorporated in the next IDP.
- 5.6 Clarity must be provided on the Municipality's Public Participation Strategy i.e. its existence, levels of implementation and compliance as well as considering the Asset Based Community Development (ABCD) model in engaging its citizenry as well as developing the IDP Process Plan.

6. CONCLUSION

- 6.1 In conclusion, the Municipality's submitted IDP contained the core requirements as per the Municipal Systems Act (MSA) and has improved over the respective reviews and the Municipality is encouraged to continue this trajectory. The Municipality is encouraged to pay attention to the assessment/ observations across the key performance areas (KPA's).
- 6.2 In line with the principle of co-operative governance and joint planning particularly around DDM and the One Plan, the fore-said comments aim to improve implementation of the IDP as a plan of all government.
- 6.3 GCOGTA's Chief Directorate for Urban Planning and the Directorate for Integrated Development Coordination (IDPC) are available to support the municipality in the development of its next IDP as well as to facilitate engagements with the sectors where needed. The Municipality is encouraged to work closely with GCOGTA and utilise the support being offered.
- 6.4 As a final remark, the Municipality is encouraged to introduce innovative ways for service delivery especially during the Covid-19 Pandemic.

Yours faithfully,



MR LEBOGANG MAILE, MPL

MEC: COGTA, URBAN PLANNING AND HUMAN SETTLEMENTS

DATE: 7/10/2021

Cc: Municipal Manager